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United States
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DEPARTMENT OF HOMELAND SECURITY

U. S. COAST GUARD

STATEMENT OF

REAR ADMIRAL R. DENNIS SIROIS

ON

INTERUPTING NARCO-TERRORIST THREATS ON THE HIGH SEAS

BEFORE THE

**GOVERNMENT REFORM SUBCOMMITTEE ON
CRIMINAL JUSTICE, DRUG POLICY & HUMAN RESOURCES**

U.S. HOUSE OF REPRESENTATIVES

JUNE 29, 2005

Good afternoon Mr. Chairman and distinguished members of the Committee. It is a pleasure to appear before you today to discuss Coast Guard counterdrug operations in the maritime transit zone.

The Coast Guard's counterdrug mission is the interdiction and seizure of illegal drugs in the transit zone. Although the Coast Guard seizes annually almost 54 percent of all cocaine seized by federal agencies, this record could not have been attained without our interagency partners and partner nations. Working closely with our interagency and international partners we provide a continuous, coordinated, sustained law enforcement presence in the six million square mile transit zone and maritime approaches to the United States. In fiscal year (FY) 2004, the Coast Guard seized or removed over 350,000 pounds of cocaine from the illegal drug trade, our most successful year to date (241,713 pounds seized plus 108,305 lost to smugglers due to jettisoning). This included the seizure of the fishing vessel LINA MARIA and its load of 33,109 pounds of cocaine, the Coast Guard's single event record.

STEEL WEB is our long-range strategy to advance the national goal of attacking the economic basis of the drug trade and is an important part of a coordinated, comprehensive interagency effort supporting the National Drug Control Strategy (NDCS) supply reduction goal. This comprehensive approach to drug interdiction is summarized in three pillars.

First, there is a need for effective presence in the three major maritime smuggling vectors: Eastern Pacific, Eastern Caribbean and Western Caribbean. This is the most visible component of our strategy, maintaining a strong and agile maritime interdiction presence with vessels and maritime patrol aircraft. This agility is accomplished by combining tactical intelligence and law enforcement information with pre-positioning decisions made by Joint Interagency Task Force-South (JIATF-S). This critical command, located in Key West, Florida, is staffed by a full spectrum of the interagency, as well as our international partners in the war on drug smuggling. JIATF-S is doing a great job of focusing limited resources on actionable intelligence, and more often than not, we are finding ourselves in the right place at the right time. Coast Guard Law Enforcement Detachments (LEDET) operating from U.S., British, and Dutch naval vessels have been particularly effective. These teams expand the reach of Coast Guard law enforcement authorities throughout the Caribbean and Eastern Pacific and in FY04 were responsible for the seizure of 64.3 MT of cocaine that totaled 58.6 percent of the amount of cocaine seized for that year.

Second, the Coast Guard's regional engagement with the interagency and international law enforcement partner nations has resulted in 26 bilateral agreements and a number of combined operations with these countries. This type of engagement, as outlined in our strategic planning, is crucial to our current effectiveness. It greatly reduces the time necessary to process a case involving suspect vessels from these nations, and promotes cooperation among these nations by engendering direct communications and operational protocols between national operations centers. The value of this engagement has been validated by our recent interdiction successes. The Coast Guard also supports international efforts to improve the capabilities of nations in source and transit zones to reduce production and trafficking within their territories and adjacent waters. Working closely with the State Department and Justice Department, the Coast Guard will continue to pave the way for the adoption of additional maritime counterdrug bilateral agreements with nation-partners in both the source and transit zones.

Third, an effective endgame must exist. The Airborne Use of Force (AUF) program employed by the Coast Guard has yielded impressive results. The phenomenal success of our HITRON helicopters in stopping the "go-fast" threat is key, but the smugglers remain flexible and adaptive. The Coast Guard has recently worked with the United Kingdom to develop AUF capabilities for the Royal Navy. The U.K. has already deployed this capability under JIATF-S tactical control twice this year. The Coast

Guard also is working with the U.S. Navy to explore their use of this AUF capability. The HITRON successes has also led to the Coast Guard beginning the process to arm all Coast Guard helicopters, which will ultimately lead to a more forceful presence in the transit zone. The Coast Guard continues to obtain and field the latest technologies, and develop new techniques to counter this ever changing threat. As an illustration of this, we are developing an initiative to deny “go-fasts” used in smuggling activities the critical use of offshore refueling vessels.

These three pillars are strengthened with effective interagency partnerships. The importance of this comprehensive interagency approach and cooperation cannot be overstated. An excellent example is the joint Justice Department and DHS Operation PANAMA EXPRESS investigation. Originally based on one event, it has expanded and become primarily responsible for the tremendous growth in actionable intelligence feeding JIATF-S. PANAMA EXPRESS participants include USCG, ICE, CBP, DEA and FBI, among others. The Coast Guard Investigative Service provides several Special Agents to PANAMA EXPRESS that serve as full members to the investigation. Their work fuels the intelligence cycle from which information derived from one seizure event provides information used during subsequent events, including persons, vessels, aircraft and locations.

Despite notable successes, of which there are many, there are areas of concern that warrant continued focus and attention. Most notably is the continuing readiness struggle of our Deepwater fleet. Our major cutters and aircraft are the centerpiece of our maritime transit zone presence. These assets are continuing to face severe maintenance and readiness challenges that, when combined with an increased post-9/11 operations tempo, impair the Coast Guard’s ability to ensure effective presence and endgame. Maritime drug interdiction is about putting ‘steel on target’, in the form of cutters and aircraft capable of executing the mission. Increasingly, we’re seeing that ‘steel’ begin to rust. Of 41 comparable naval fleets in the world, only Mexico and the Philippines have older than the Coast Guard. For that reason, the Integrated Deepwater System (IDS) acquisition remains the Coast Guard’s number one recapitalization priority. It is the centerpiece of the Coast Guard’s future maritime security capacity and capability and is critical to ensuring our legacy assets remain mission capable as new assets come on line. Similarly, the overall Command, Control, Computers, Communications, Intelligence, Surveillance and Reconnaissance (C4ISR) capabilities are vital to the Coast Guard’s ability to operate seamlessly and fully integrated with our DOD and DHS partners. The IDS acquisition will not only replace the Coast Guard’s current capacity, we have completed a comprehensive performance analysis and now delivered to the Congress a revised implementation plan that includes within the acquisition critical new capabilities. Increased cutter speed, stopping power, and equipping all Coast Guard helicopters with AUF capability are all part of this revised implementation plan. These capabilities, and others, are critical to dealing effectively with the entire spectrum of maritime threats, including within the maritime transit zone. As such, the Coast Guard asks for your support of the President’s request of \$966 million for IDS in FY 2006. Any reduction to the requested Deepwater funding jeopardizes the Coast Guard’s integrated recapitalization strategy by not providing adequate funding to recapitalize/modernize the Coast Guard’s aging and obsolete cutters, aircraft and C4ISR systems while sustaining legacy assets in the interim. Reduced funding levels, at the very minimum, would delay delivery of new assets that are integral to the continued success of drug interdiction efforts. For example, if held to the House recommended funding level of \$500 million, operational capacity will diminish faster than it can be replaced, this resource problem will persist, and the Coast Guard will not have adequate resources to complete necessary legacy asset sustainment. The Coast Guard’s Deepwater implementation strategy considers both aging assets and new assets to strike the right acquisition balance to satisfy operational requirements, which are reflected in the Revised Deepwater Implementation Plan. Without the requested funding, the acquisition and thus current and future Coast Guard readiness is put at substantial risk

This Revised Deepwater Implementation Plan projects the first legacy cutter decommissioning will occur in FY07, with decommissioning of future legacy assets as more new Deepwater cutters and aircraft become operational. The Coast Guard continuously monitors the cost effectiveness of operating aging fleets of cutters and aircraft, but the lack of an appropriate level of funding for Deepwater will have significantly negative operational ramifications

In addition to surface Deepwater assets, transit zone operations will also be affected by maritime patrol capability. For a near term addition to maritime patrol hours, the President's FY 2006 budget requests Coast Guard funding for 1,500 additional flight hours, which will help increase maritime patrol aircraft (MPA) flight hours. This is another reason that full funding of Deepwater is vital to U.S. counterdrug efforts in the transit zone. The Deepwater system integrator continues to develop the platform for future maritime patrol missions. The Medium Range Surveillance (MRS) aircraft will provide even greater capacity to increase maritime patrol flight hours. Additionally, High and Medium Altitude UAVs programs are under study and development to further provide maritime surveillance.

Deepwater's comprehensive system of systems will recapitalize our entire inventory of aging cutters and aircraft, as well as C4ISR systems at sea and ashore - all supported with integrated logistics. Deepwater will provide the means to extend our layered maritime defenses from our ports and coastlines many hundreds of miles to sea, increasing maritime domain awareness and maritime patrol in the Transit Zone. When Deepwater is fully implemented, our cutters and aircraft will no longer operate as independent platforms with only limited awareness of their surroundings in the maritime domain. Instead, they will have improved capabilities to receive information from a wide array of mission-capable platforms and sensors, enabling them to share a common operating picture as part of a network-centric force operating in unison with other cutters, boats, and both manned aircraft and unmanned aerial vehicles. In the aggregate, it is clear that the Coast Guard's Deepwater implementation is vital to the U.S. Government's interest in robust transit zone operations.

The Coast Guard appreciates your support over the years and we ask for your continued support as our funding is discussed. We are working our assets—and our crews—harder than ever, and the wear is beginning to show. The President addresses capacity and capability improvements for the Coast Guard in his budget request, which I ask you to support. Deepwater, our plan for major asset recapitalization has never been more relevant, and I ask for your support for the President's request.

Thank you for the opportunity to testify before you today. I will be happy to answer any questions you may have.